

**DETERMINATION AND FINDINGS**  
**FOR**  
**SOLE SOURCE PROCUREMENT**

**AGENCY:** Office of Planning  
**CAPTION:** Housing cost analysis  
**CONTRACT NO.:** RK151050  
**CONTRACTOR:** Partners for Economic Solutions

**FINDINGS**

**1. Authorization:**

D.C. Official Code §2-354.04, 27 DCMR 1304, 1700 and 1701.

**2. Minimum Need:**

The Office of Planning (OP) and the Department of Housing and Community Development (DHCD), via the Office of Contracting and Procurement, require the services of a contractor to produce a housing cost analysis of the Far Southeast/Southwest Planning Area to assess land use development economics in relation to the District's land use plans, policies and zoning. Consultant services will analyze the housing market and how households have been affected since the COVID-19 event. This planning area includes low-income and minority residents that have been hardest hit by COVID-19. Study findings would support and inform a Congress Heights planning study. This is a follow-on study to a Construction Cost Analysis described further in Section 4 below. The work must be completed by the end of September 2020.

**3. Estimated Fair and Reasonable Price:**

The estimated fair and reasonable price to complete this work is approximately \$50,000, based on OP and DHCD's estimate of time and effort spent on studies of this sort in the past.

**4. Facts That Justify Single Available Source Procurement:**

- A. Neither OP nor DHCD has the in-house capabilities or capacity to complete the required analysis.
- B. This requirement is a follow-on task to a Construction Cost Analysis procured by the DC Housing Finance Agency. The work is being conducted as part of a multi-agency, multi-initiative program designed to increase affordable housing production and preservation across the District. The overarching program is a Mayoral initiative, and day-to-day work is being led by DCHFA, OP, and DHCD. OP and DHCD provided funding to the DCHFA for the Construction Cost Analysis.

- C. Timing is critical. As described above, this is a follow-on requirement that must quickly commence because the findings are needed to inform the design of FY 2021 policy and program tools including a DHCD Notice of Funding Availability and potential amendments to the zoning code, as well as a Congress Heights planning study.
- D. Partners for Economic Solutions (PES), which is conducting the Construction Cost Analysis described above, is ideally suited to continue with this follow-on requirement. This contractor has an unparalleled understanding of current construction costs in the District of Columbia because they are conducting the related Construction Cost Analysis. A highly detailed knowledge of construction costs is the most important success factor in the Far Southeast/Far Southwest Housing Cost Analysis because those costs determine which types of building construction types are market viable. Construction costs vary significantly from market to market due to labor market conditions, material costs, and regulatory structures. Clearly understanding market viability of each major housing type is needed to estimate where new housing can be produced and where existing affordable housing is vulnerable to redevelopment. Specific insight from the Construction Cost Analysis being conducted by PES is needed to calibrate estimates of how much additional value is needed to spur new construction or redevelopment, which can vary by 200 to 400 percent.
- E. PES's work with OP and DHCD in this area leads OP to believe that no other contractor could do this important work for the District. If directed to choose another contractor for this project, it would result in untimely work that would not be useful, as OP would have to spend considerable time to get the new contractor up to speed.

**6. Certification by the Agency Head:**

I certify that the above findings are correct and complete.

6-18-2020

Date



Andrew Trueblood  
Director, Office of Planning

**CERTIFICATION BY CONTRACTING OFFICER:**

I have reviewed the above findings and certify that they are sufficient to justify the use of the sole source method of procurement under the cited authority. I certify that the notice of intent to award a sole source contract was published in accordance with 27 DCMR 1304 and that no response was received. I recommend that the Chief Procurement Officer approve the use of the sole source procurement method for this proposed contract.

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Date

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James Webb  
Contracting Officer

**DETERMINATION**

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under either Section 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18- 371; D.C. Official Code § 2-354.02 or 2-354.03). Accordingly, I determine that the District is justified in using the sole source method of procurement.

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Date

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George A. Schutter, III  
Chief Procurement Officer